

eMARS

Cost Accounting Overview



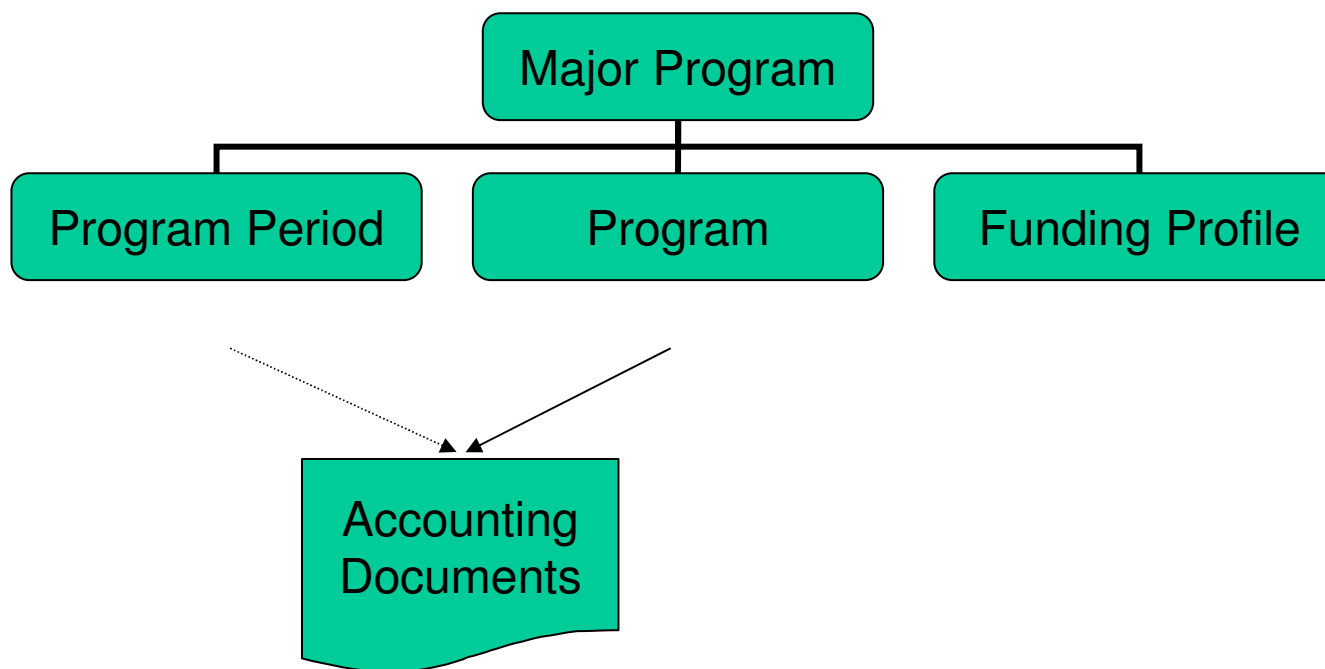
Cost Accounting Overview

- Grant/project accounting structure
- Cost allocation
- Overhead rates
- Optional structures
- Data conversion

Grant (defined)

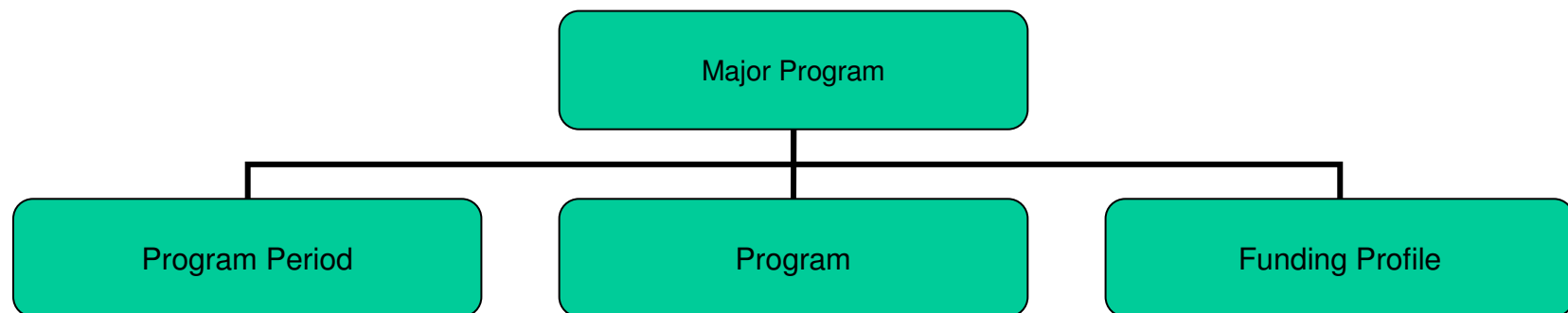
- An award of financial assistance for a specific purpose
- Typically restricts use of funds to only the specific purpose
- Typically requires financial and operational reporting in the context of the grant
- Typically carries rules defining whether or not specific types of costs are allowable

Grant Structure



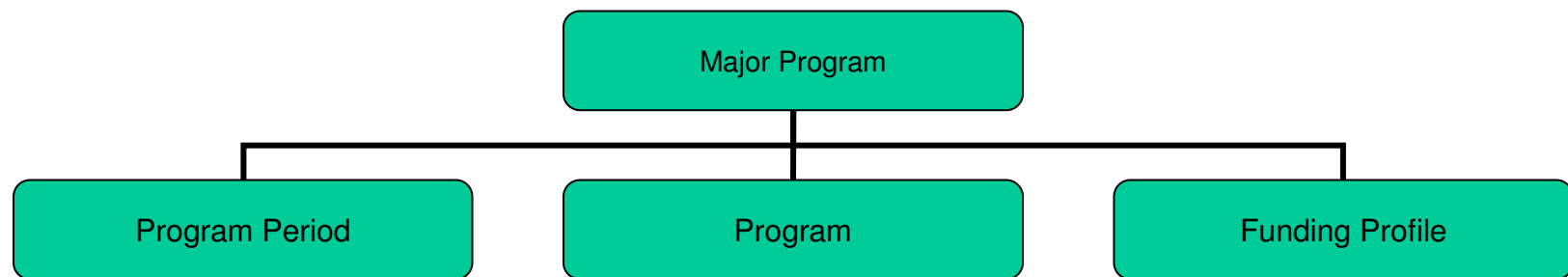
Major Program

- Defines high level initiative under which funds are received
- Identifies global characteristics for all programs defined beneath
- Inferred from Program



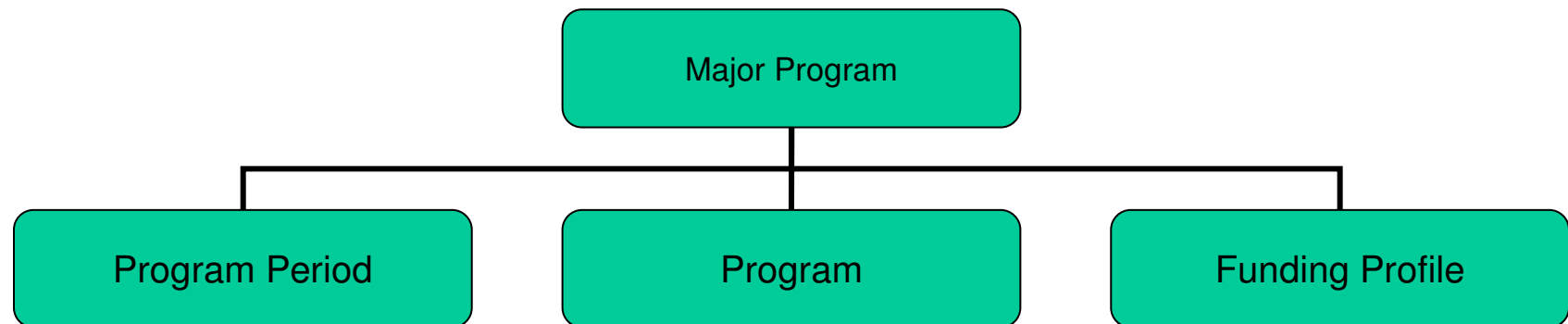
Program

- Defines the breakdown of Major Program based on requirements such as:
 - Budgeting,
 - Reporting, and/or
 - Chart of accounts inference needs
- Coded on accounting documents



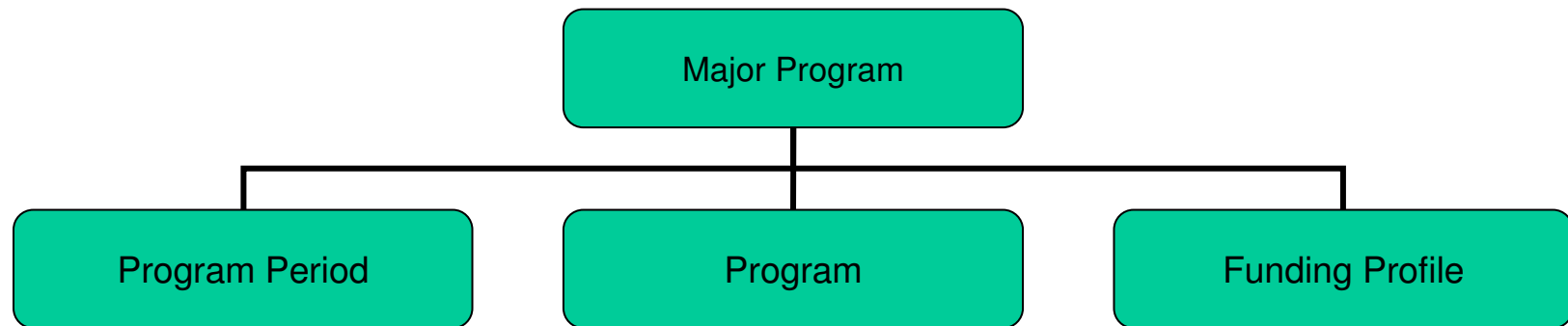
Program Period

- Establishes award periods (or Cost Accounting fiscal years) under Major Program
- Typically inferred in one of two ways, but may be coded on accounting documents

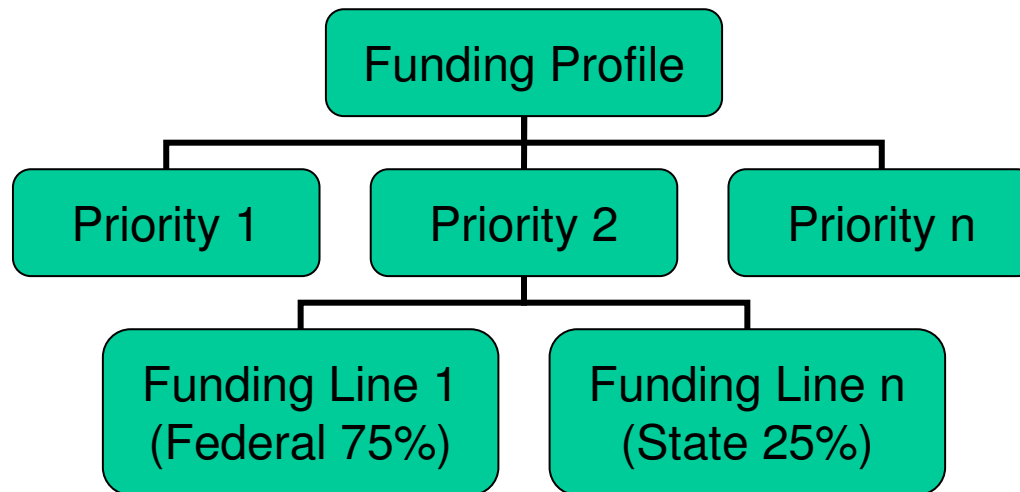


Funding Profile

- Identifies funding relationships within Major Program
- Inferred from program

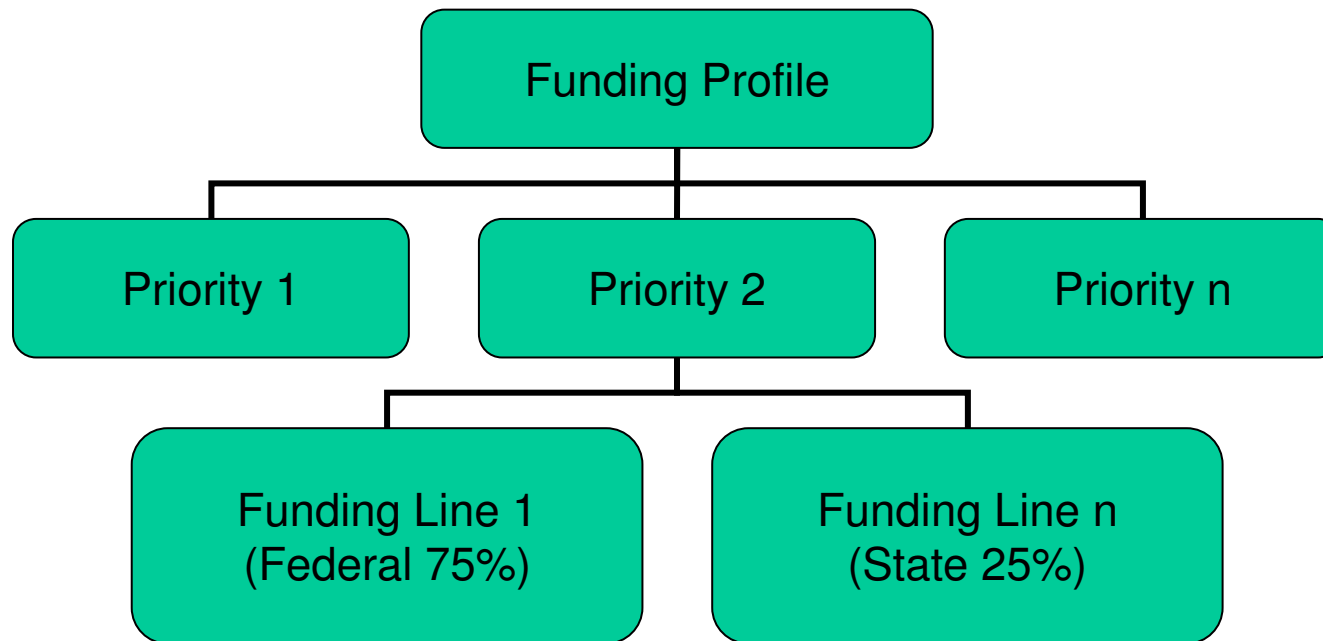


Funding Profile Structure



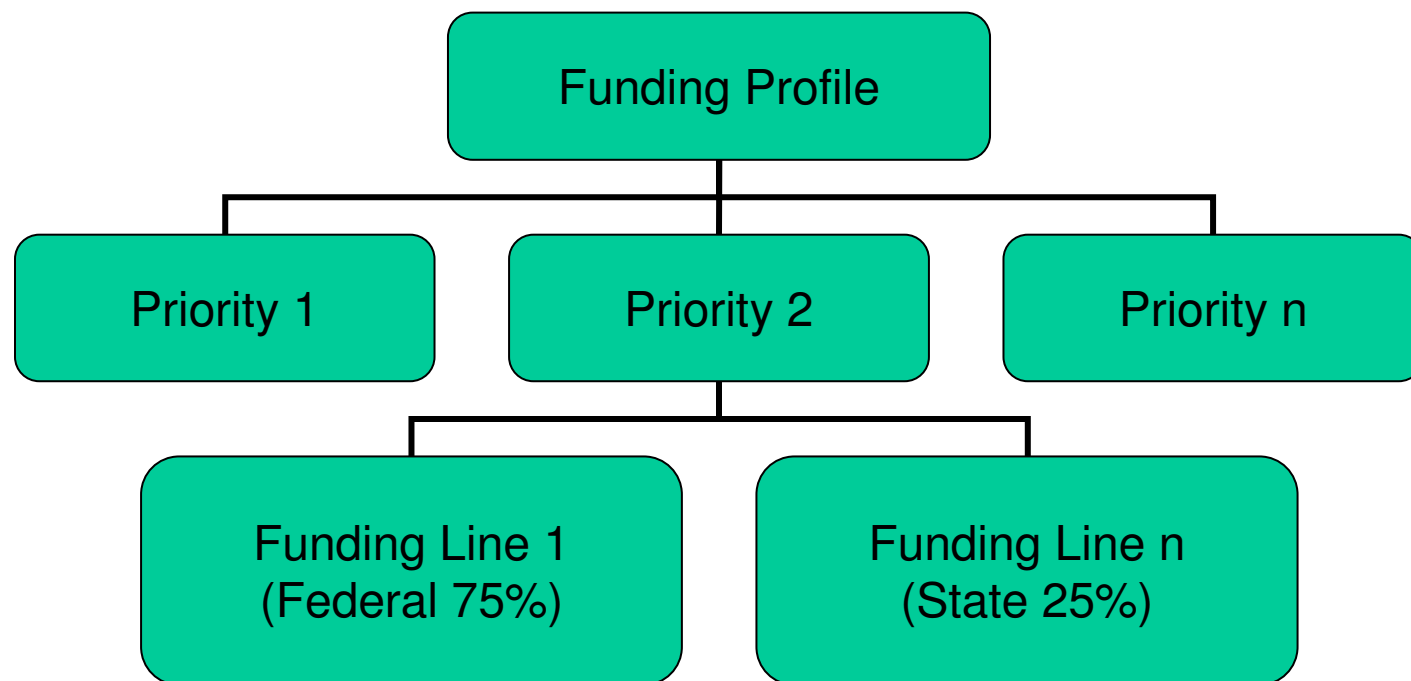
Funding Priority

- Specifies the “stages” of billing for a Funding Profile

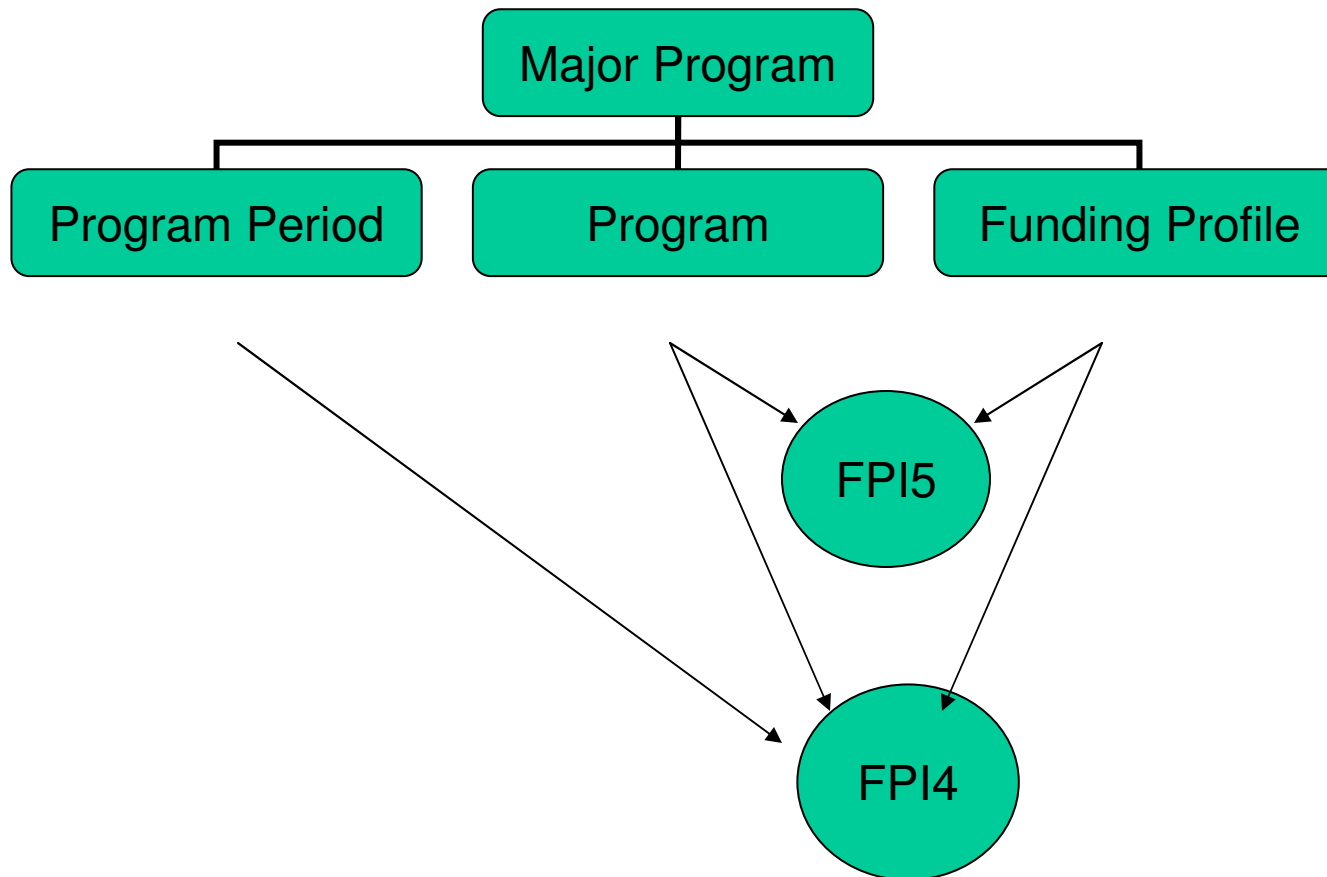


Funding Line

- Identifies the billing information related to a specific Customer within Funding Profiles



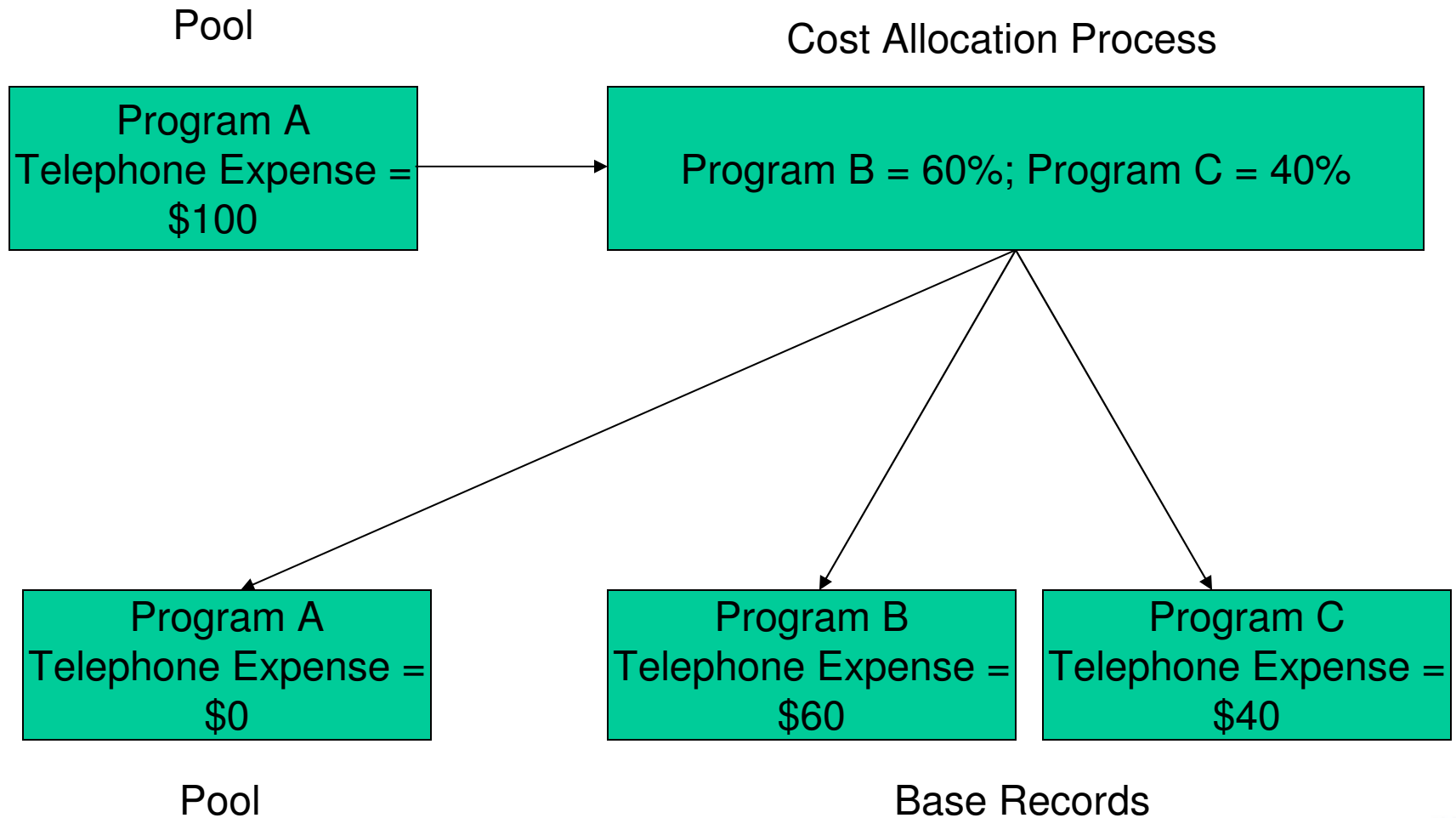
User-Defined Inferences



Reimbursable Budget Structure

- Level 1
 - Department
 - Major Program
 - Program
 - Program Period
 - Funding Profile
 - Funding Priority
- Level 2
 - Department
 - Major Program
 - Program
 - Program Period
 - Funding Profile
 - Funding Priority
 - Funding Line

Cost Allocation



Overhead Rate

Program A
Telephone Expense =
\$100

+

Overhead Rate =
20%

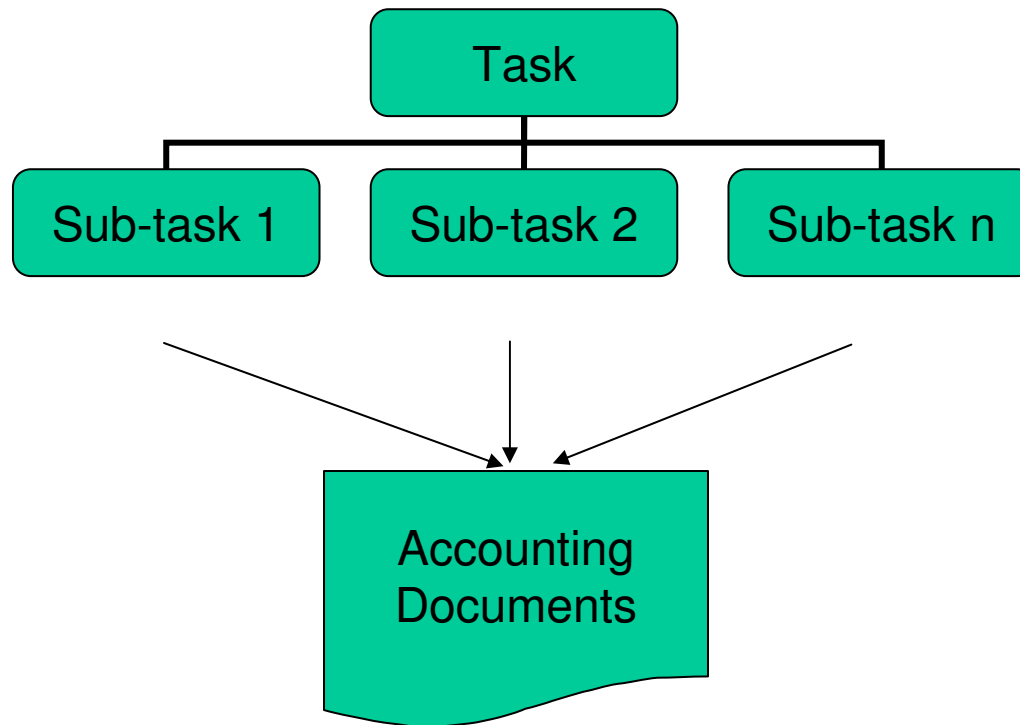
=

Program A
Telephone Expense =
 $\$100 + (\$100 \times 20\%) = \$120$

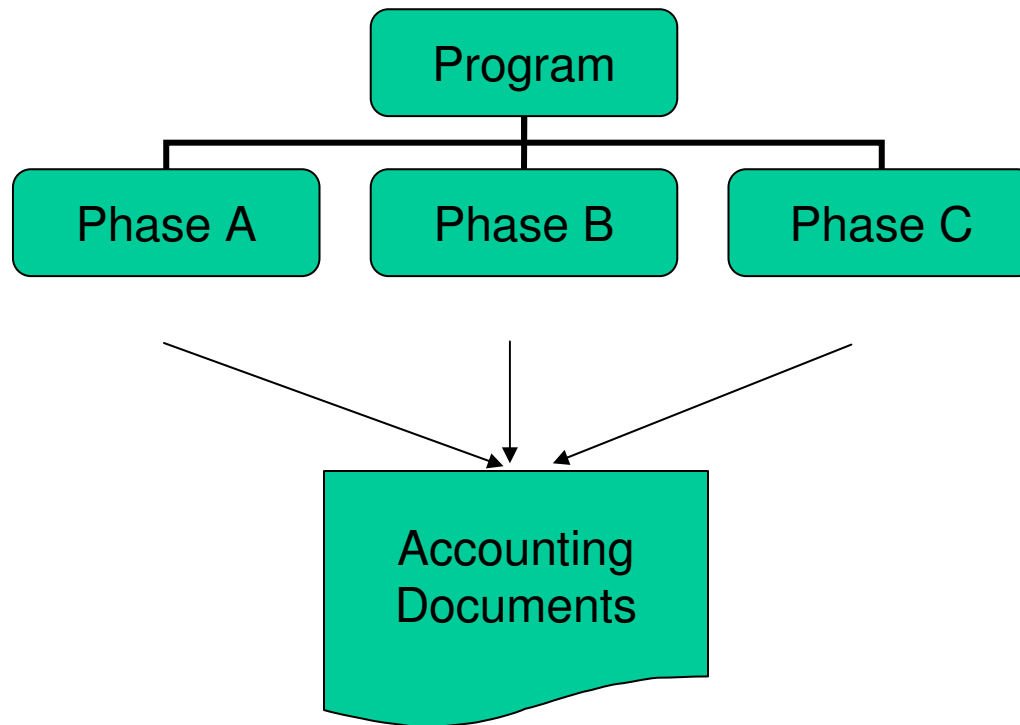
Optional Structures

- Task / sub-task
- Program / phase
- Program / task order

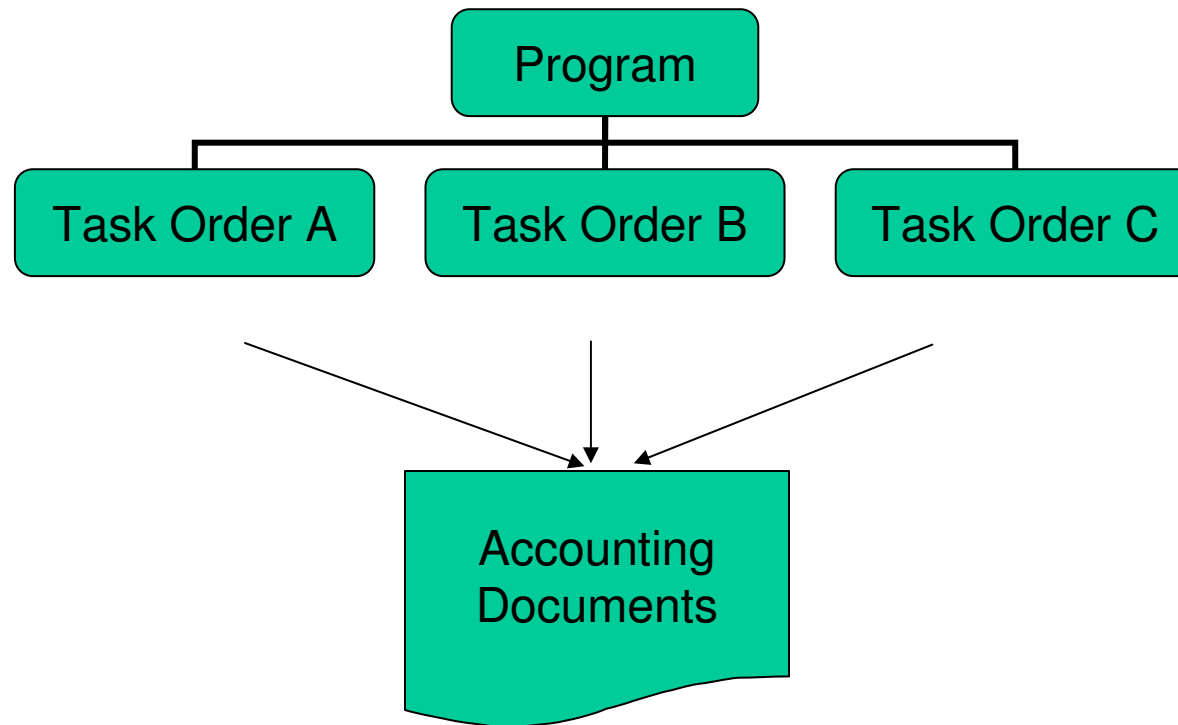
Task / sub-task



Program / phase



Program / task order



Data Conversion

- Setup data conversion
 - Identify “inactive” and active grants
 - Maintain crosswalk spreadsheet
- Financial data conversion
 - Clean-up balance sheet account balances (e.g., cash, open receivables) for grants not to be converted
 - Ensure grants to be converted are “in balance;” i.e., debits equal credits, or in other words, they total to zero across all of the relevant transactions